

# Idaho Grain Market Report, March 9, 2023—NEW CROP PRICES

Published weekly by the Idaho Barley Commission  
lwilder@barley.idaho.gov 208-334-2090 www.barley.idaho.gov



Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday March 8, 2023. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	<b>Barley (Cwt.) FEED  48 lbs or better</b>	<b>MALTING  Open Market Malting</b>	<b>Wheat (bu.) Milling  #1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Rexburg / Ririe	13.50		7.35	9.47	9.69	9.46
Idaho Falls		8.30-16.25	No Bid	No Bid	No Bid	No Bid
Blackfoot / Pocatello	No Bid	15.50	No Bid	No Bid	No Bid	No Bid
Grace / Soda Springs	12.00		7.10	8.33	8.60	8.33
Burley / Rupert	No Bid		No Bid	No Bid	No Bid	No Bid
Twin Falls / Buhl Jerome / Wendell	13.00		7.10			
Meridian	12.50		7.10	8.29	8.17	
Nezperce / Craigmont	10.21		7.00	8.46	8.35	
Lewiston	10.73		7.26	8.72	8.61	
Moscow / Genesee	10.24-10.93		7.03-7.15	8.49-8.61	8.38-8.50	

## Prices at Selected Terminal Markets, cash FOB

Wednesday March 8, 2023. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	<b>#2 Feed Barley 46 lbs. --</b>	<b>Malting Barley</b>	<b>#1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland			8.00-8.25	9.37-9.62	9.15-9.24	
Ogden			7.54	8.82	9.39	8.82
Great Falls	13.33	16.35		8.10-8.30	8.14-8.29	

## Market News and Trends This Week

**BARLEY**—Idaho cash feed barley prices were down \$0.25 to unchanged for the week ending March 8. Idaho cash malt barley prices were unchanged for the week. Net barley sales of 6,000 MT were reported to Japan by USDA FAS for 2022/2023 for the week of February 24– March 2. No exports were reported for the week.

**Barley and Beer Industry News**—As the South Korean food industry is exploring the possibility of developing new products using U.S. barley containing beta-glucan, the U.S. Grains Council (USGC) is ready to offer educational opportunities to help the industry better understand the qualities of the U.S. commodity. The Council's office in Seoul sponsored a team of potential barley buyers and product developers from leading food and confectionary companies in the country to participate in an online food barley course – Healthy Solutions for Food Barley Uses – organized by the North Crop Institute (NCI). The course covered topics including barley breeding programs; nutritional benefits of food barley and health claims; food barley product trends; an overview of the current U.S. barley market; and food safety and traceability. The program also offered virtual tours of a processing facility. "The latest trend for Korean food companies is to find excellent functional food ingredients that will satisfy the needs of consumers. Thanks to the Council's efforts to promote the functionality of U.S. food barley and support samples, Dongseo Food, a participant in the 2021 NCI Food Barley Course, launched a whole barley granola product containing 27 percent of U.S. barley late last year," said Haksoo Kim, USGC director in South Korea. "It is expected that the launch of new barley products using U.S. food barley will increase in the future." Korea consumes approximately 180,000 metric tons (TMT), or 8,267,328 bushels, of barley annually, mostly as a rice substitute. It produces about 110 TMT of barley every year for domestic consumption. The Korea-US free trade agreement (KORUS FTA) has created an opportunity for the United States to export a fixed volume of food barley duty-free under the tariff rate quota (TRQ). The duty-free quota in 2022 was 3,047 tons (139,947 bushels) and is set to increase to 3,299 MT (151,521 bushels) in 2026. In 2027, the tariff is set to be eliminated. The Council, an Idaho Barley Commission partner, has been promoting the use of U.S. food and malting barley since the implementation of the KORUS FTA. (USGC)

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## Market News and Trends This Week—continued

**WHEAT**—Idaho cash wheat prices down for the week ending March 8. SSW prices ranged from down \$0.32 to down \$0.20 from the previous week; HRW prices were down \$0.33 to down \$0.17; DNS prices were down \$0.43 to down \$0.12 and HWW prices were down \$0.28 to down \$0.26. USDA FAS reported net sales for 2022/2023 for the period February 24– March 2 at 266,700 MT. Destinations were China (137,000 MT), South Korea (87,000 MT), the Philippines (77,300 MT), Taiwan (49,000 MT), and Tunisia (27,100 MT). Exports of 377,100 MT were to China (135,000 MT), Mexico (65,500 MT), the Philippines (58,300 MT), South Korea (55,600 MT), and Tunisia (27,100 MT).

**Wheat News**—With global wheat supplies tightening due to climate change and the war between Russia and Ukraine, two of the world's biggest wheat producers and exporters, finding ways to maximize wheat yields and produce seed that is resistance to drought and disease has never been more important. That's why BASF's announcement on Feb. 28 that it would cease its activities in hybrid wheat seed development in North America was met with shock and disappointment by US and Canadian wheat growers and processors. BASF Plant Science, a subsidiary of the Germany-based chemical company BASF, in recent years had been working to develop hybrid wheat seed in various parts of the world, including North America. But BASF last month said it would be cutting 2,600 jobs due to rising costs and weak earnings, including its North American hybrid wheat developers. However, it noted that it would continue its development programs in Europe and other countries. In a letter to stakeholders, BASF said "despite the tremendous efforts of our team of experts, the results of our North American trials have not achieved the development goals we set to meet the needs of growers in Canada and the United States." Although it lagged China-based rival Syngenta in terms of getting the seed to market, BASF was seen a key player in the effort to develop hybrid wheat seed. The announcement caught BASF's stakeholders and even its competitors off guard. Jane DeMarchi, president of the North American Millers' Association (NAMA), told *World Grain* that the unexpected news was disappointing to NAMA members "who welcome any investment in wheat research and variety development." "Hybrid wheat represents a technological breakthrough for wheat," she said. "Potentially, it can offer higher yields and better stability and disease resistance, among other things. It is a complicated technology in the sense that creating this seed economically has been a barrier. It's been tried several times in the US, but companies have struggled to figure out how to do it economically." (BakingBusiness)

**CORN**—USDA FAS reported net sales for 2022/2023 for period February 24– March 2 were 1,412,100 MT, were to Japan (469,000 MT), South Korea (377,900 MT), unknown destinations (201,300 MT), Mexico (130,900 MT), and Colombia (83,300 MT). Exports of 1,052,000 MT were primarily to Mexico (462,900 MT), Colombia (169,600 MT), Japan (129,500 MT), South Korea (104,900 MT), and Guatemala (39,600 MT).

**Ethanol Corn Usage**—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending March 3 averaged 1.010 million bbls/day up 0.7 percent from the previous week and down 1.8 percent from last year. Total ethanol production for the week was 7.070 million barrels. Ethanol stocks were 25.320 million bbls on March 3, up 2.2 percent from last week and up 0.2 percent from last year. An estimated 101.52 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 2.619 billion bu. Corn used needs to average 101.76 million bu per week to meet USDA estimate of 5.250 billions bu for the crop year.

## Futures Market News and Trends—Week Ending March 9, 2023

### FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, March 9, 2023:

Commodity	March 2023	Week Change	May 2023	Week Change	July 2023	Week Change	Sept 2023	Week Change
CHI SRW	\$6.53½	-\$0.42¼	\$7.08¾	-\$0.43	\$6.77	-\$0.39¾	\$6.89	-\$0.38½
KC HRW	\$7.86¼	-\$0.36¼	\$7.77¼	-\$0.39	\$7.69	-\$0.39¾	\$7.71¾	-\$0.40¼
MGE DNS	\$8.11½	-\$0.57	\$8.17½	-\$0.55¼	\$8.17¼	-\$0.51¾	\$8.11¼	-\$0.48¾
CORN	\$6.18½	-\$0.26¾	\$6.11½	-\$0.28¼	\$6.01¾	-\$0.26¼	\$5.61¼	-\$0.22½

**WHEAT FUTURES**—Wheat futures were down in response to the increased wheat acre estimates. **Wheat futures prices ranged down \$0.57 to up \$0.07 (per bu) over the previous week.**

**CORN FUTURES**—Corn futures prices were down after the USDA said domestic supplies would be bigger than expected. **Corn futures prices ranged from down \$0.28¼ to down \$0.38½ (per bu) over the previous week.**

**CRUDE OIL FUTURES**—Crude oil prices moved up today after the U.S. Energy Information Administration estimated an inventory draw of 1.7 million barrels for the week to March 3.

EIA reported U.S. crude oil refinery inputs averaged 15.0 million bbls/day during the week ending March was 12 thousand bbls/day less than last week's average. Refineries operated at 86.0% of capacity last week. As of March 3 there was a decrease in Crude Oil stocks of 1.694 million bbls from last week to 478.513 million bbls, over the 5-year average of 443.825 million bbls. Distillate stocks increased by 0.138million bbls to a total of 122.262 million bbls, under the 5-year average of 132.949 million bbls; while gasoline stocks decreased by 1.134 million bbls to 238.058 million bbls, under the 248.374 million bbl 5-year average. The national average retail regular gasoline price was \$3.389 per gallon on March 6, 2023, up \$ 0.047 from last week's price and down \$0.713 from a year ago. The national average retail diesel fuel price was \$4.282 per gallon, down \$0.012 from last week's price and down \$0.567 from last year.

**NYMEX Crude Oil Futures finished the week ending Thursday, March 9, 2023 to close at 75.72/bbl (April contract), down \$3.96 for the week.**

## U.S Drought Monitor—March 9, 2023

**Northeast:** Improvements were made in the region.

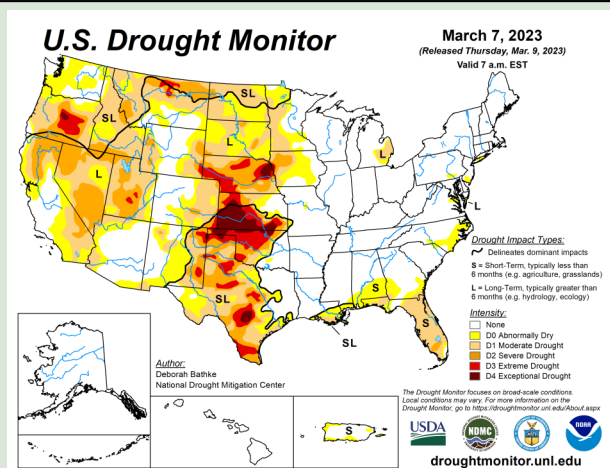
**Southeast:** Drought expanded in Florida and southwest Georgia.

**Midwest:** Improvements were made in most of the region.

**High Plains:** Drought was expanded in southeast Nebraska to northeastern Kansas, Colorado Rockies, and south-central Colorado. Improvements were made in the northern High Plains and in Wyoming.

**West:** Improvements were made in many areas of the region.

**South:** Drought was expanded in most of the region. Drought was expanded in north central and northeast Oregon and Montana.



## USDA U.S. Crop Weather Highlights—March 9, 2023

**West:** A low-pressure system centered just west of the northern Pacific Coast is producing increasingly stormy weather as far south as central California. Meanwhile, dry weather prevails from southern California to the central and southern Rockies.

**Plains:** A broad area of mostly light snow is falling across the northern half of the region. The snow is occurring amid lambing and calving season, which is underway across the northern Plains. Meanwhile, showers and a few thunderstorms are occurring across eastern Oklahoma and northern Texas. Elsewhere, an elevated wildfire threat exists across the drought-stricken southern High Plains, where winds are increasing.

**Corn Belt:** Light snow is primarily falling west of the Mississippi River. Meanwhile, the eastern Corn Belt is experiencing an increase in cloudiness. Portions of the northern Corn Belt are bracing for as much as 4 to 8 inches of snow, which could result in widespread travel disruptions.

**South:** Lingering warmth is confined to areas along and near the Gulf Coast. Meanwhile, showers and thunderstorms are affecting the interior Southeast, including the northern Mississippi Delta. Rain is maintaining muddy field conditions in the mid-South; in late February, topsoil moisture in Arkansas was rated 57% surplus. In contrast, drought continues to expand in Florida, where statewide topsoil moisture was rated 61% very short to short on March 5.

**Outlook for U.S.:** Farther south, thundershowers in the mid-South will shift eastward toward the Atlantic Coast. Meanwhile, a powerful storm near the northern Pacific Coast will drift inland over the next couple of days, with heavy precipitation falling across northern and central California. A brief surge of warmth accompanying the Western storm will melt some lower- and middle-elevation snow in the Sierra Nevada, contributing to runoff that may lead to flooding in parts of California's Central Valley, especially south of Sacramento. During the weekend, rain and snow showers will linger across the northern two-thirds of the western U.S., while an organized area of snow will spread across the North. Late in the weekend and early next week, showers and thunderstorms will return across the South, although southern sections of Texas and Florida should remain mostly dry. The NWS 6- to 10-day outlook for March 14 – 18 calls for the likelihood of near- or below-normal temperatures nationwide, except for warmer-than-normal weather across southern sections of the Rockies and Plains. Meanwhile, near- or below-normal precipitation from the middle and upper Mississippi Valley to the middle and northern Atlantic States should contrast with wetter-than-normal conditions in the South and from the Pacific Coast to the Plains.

## International Crop Weather Highlights—Week ending March 4, 2023

**Europe:** Drier and colder weather overspread much of Europe, maintaining overall favorable winter crop prospects but heightening short-term rainfall deficits in Spain, France, and England. Moisture associated with a medicanne, storm that acquired tropical characteristics over the Mediterranean Sea, triggered locally heavy downpours from Italy into the western Balkans.

**Middle East:** Dry, warm weather heightened drought concerns for semi-dormant (north) to vegetative (south) winter grains across much of the region, especially in Turkey.

**Asia:** Dry weather and building seasonal heat prevailed across India as rabi crops mature. Unseasonably mild weather and ample sunshine promoted development of vegetative wheat and rapeseed in eastern and southern China. Heavy showers, locally torrential, continued in southern portions of the region, maintaining ample moisture supplies for oil palm and immature rice.

**Australia:** In southern Queensland, a concentrated area of rain benefited immature sorghum. o Elsewhere in the east, warm, sunny weather aided drydown and harvesting of mature summer crops.

**South America:** Dryness, along with several days of oppressive heat (daytime highs reaching 40°C locally), renewed stress on immature corn and soybeans in the main production areas of central Argentina. o Mild, showery weather maintained mostly favorable prospects for cotton and corn in Brazil, despite lingering pockets of dryness.

**South Africa:** Conditions remained overall favorable for corn and other rain-fed summer crops.



**WHEAT:** The 2022/23 U.S. wheat supply and demand outlook is unchanged from last month. The projected season-average farm price remains \$9.00 per bushel.

The 2022/23 global outlook this month is for slightly smaller supplies, increased trade and consumption, and lower ending stocks. Supplies are lowered slightly as an increase in production nearly offsets a decrease in beginning stocks, which are lowered mostly on an increase for China 2020/21 feed and residual use. This reduction is based on an updated analysis of government old-crop wheat stocks auction data. Nearly offsetting this change, global production is raised 5.1 million tons to 788.9 million primarily on increases for Kazakhstan, Australia, and India. Production estimates for all three countries are raised on updated government data. Wheat production in Kazakhstan is now forecast at 16.4 million tons, 2.4 million higher than last month, and the largest harvest since 2011/12. World trade is raised 1.0 million tons to 213.9 million as increases for Kazakhstan, Australia, and Brazil more than offset decreases for Argentina and India. Global use is forecast 2.0 million tons higher to 793.2 million, largely on increases in India food, seed, and industrial use and Kazakhstan feed and residual use. Global ending stocks are lowered 2.1 million tons to 267.2 million, as smaller stocks for China more than offset increases for Argentina, Kazakhstan, and Australia.

**COARSE GRAINS:** This month's 2022/23 U.S. corn outlook is for lower exports and larger ending stocks. Exports are reduced 75 million bushels reflecting the poor pace of sales and shipments to date despite relatively competitive U.S. prices. With no other use changes, ending stocks are up 75 million bushels from last month. The season-average corn price received by producers is lowered 10 cents to \$6.60 per bushel based on reported prices to date. Global coarse grain production for 2022/23 is forecast 3.2 million tons lower to 1,439.6 million. This month's foreign coarse grain outlook is for reduced production, consumption, and ending stocks relative to last month. Foreign corn production is down, with a decline for Argentina partially offset by increases for India and Paraguay. For Argentina, production is cut as continued heat and dryness during February and into early March reduce yield prospects for late-planted corn. India corn production is higher based on official government data. Foreign barley production is higher reflecting increases for Kazakhstan, Australia, and Argentina. Foreign sorghum production is lowered with declines for Australia and Argentina.

Major global trade changes for 2022/23 include higher projected corn exports for India, Ukraine, and Paraguay, with reductions for Argentina and the United States. Corn imports are lowered for Turkey, Iran, Malaysia, Chile, Colombia, Egypt, Morocco, Peru, and Taiwan. Sorghum imports are lowered for China based on export cuts for Australia and Argentina. Foreign corn ending stocks are down relative to last month, reflecting declines for Ukraine and Brazil that are partly offset by an increase for India. Global corn ending stocks, at 296.5 million tons, are up 1.2 million.

**BARLEY:** March 8 WASDE report shows the outlook for 2022/2023 U.S. barley supplies were unchanged at 232 million bushels from the projected estimates at 232 million bushels. The March report estimates a projected yield of 71.7 bushels/acre with 2.4 million acres expected to be harvested, unchanged from the February 2022/2023 estimates report. Projected use is at an estimated 170 million bushels, and projected imports at 16 million bushels. Ending stocks for 2022/2023 are projected to be 62 million bushels. The season-average farm price is at \$7.30 bu on updated NASS prices compared to \$7.30/bu in February 2022/2023 estimates.